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Major News Releases and Speeches

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News Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

SOME TEXAS FRUIT CAN BE SHIPPED WITHOUT FUMIGATION FOR MEXICAN FRUIT FLY

WASHINGTON, Oct. 30—Beginning the week of Nov. 2, some of the citrus fruit from Texas' Rio Grande Valley can be shipped to other states without fumigation to eliminate the Mexican fruit fly, U.S. Department of Agriculture officials said today.

"We expect some shippers will be able to move their citrus to other citrus-producing areas without ethylene dibromide fumigation during the next two months," said Harvey L. Ford, deputy administrator for USDA's Animal and Plant Health Inspection Service.

Mexican fruit flies cause damage in a wide variety of host fruits, but among citrus, the flies prefer grapefruit. The fly migrates to the Rio Grande Valley of Texas from Mexico each year. USDA entomologists said the Rio Grande Valley is the northern ecological range for the fly in Texas.

"USDA officials believe the procedure will provide other citrus-producing states with adequate protection from the fly," said Ford. In addition, USDA will be releasing sterile Mexican fruit flies, increasing the number of traps, cutting fruit to detect immature stages of the pest and holding periodic evaluations.

The system will be used only in Hidalgo County west of Interstate 281. USDA has been releasing 4 to 5 million sterile flies per week in this area for the past two years. Eighty-five percent of the Rio Grande Valley fruit is grown in Hidalgo County.

"Some 30,000 grapefruit have been cut open in the groves this week to check for evidence of the pest and an additional 30,000 grapefruit will be cut open during the next month," Ford said. "The traps were increased this week from one to five traps per square mile. However, where evidence of infestations are found during the program, producers will have to fumigate the grapefruit.

"The elements of the system—trapping, sterile flies, cutting fruit—all complement each other and protect receiving states," Ford said.

"We found only nine native flies during 1981 and feel the procedures can release shippers from unnecessary costs and procedures associated with fumigation."

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FISCAL YEAR 1981 U.S. AGRICULTURAL EXPORTS UP 8 PERCENT FOR RECORD

WASHINGTON, Oct. 30—U.S. agricultural exports in fiscal 1981 totaled $43.8 billion and set a record for the twelfth straight year, according to Richard A. Smith, administrator of the U.S. Department of Agriculture's Foreign Agricultural Service. Agricultural exports ran $26.7 billion higher than imports, and this favorable balance also set a record.

Smith said export tonnage in 1981 was nearly the same as the previous year and that the 8 percent increase in dollar volume resulted from higher unit prices for U.S. products.

He said U.S. agricultural import dollar volume is expected to show a 1 percent decline for the fiscal year just ended, leaving an agricultural trade balance surplus of about $26.7 billion for fiscal 1981, 15 percent more than the trade balance in fiscal 1980.

Smith said the past year's agricultural trade was affected by a number of general economic factors, such as a sluggish worldwide economic performance and the dramatic appreciation of the dollar, which combined to dampen worldwide demand. As a result, the record U.S. agricultural export level was less than the $48 billion forecast a year ago.

The 1981 fiscal year exports showed substantial dollar increases for wheat and flour (up 22 percent), fruits, nuts and vegetables (up 18 percent) and sugar and tropical products (up 61 percent).

The leading dollar earner—grain and feeds—had sales of $21.7 billion, up 18 percent from last year. U.S. exports of wheat to China, the leading wheat importer with sales in excess of $1.4 billion, was nearly double the volume of fiscal 1981. Japan, number one in total U.S. agricultural sales, led all countries in feed grain shipments of 15.6 million tons, valued at $2.4 billion, 25 percent above a year earlier.

The volume of wheat and flour exports rose 6.2 million tons to 43.2 million, but feed grain shipments of 69 million tons were down 3 percent. Exports of all major oilseeds and major cakes and meals were down from fiscal 1980 levels.

Shipments to the EC were down 20 percent in volume and, as a result of the trade suspension, exports to the Soviet Union were zero, compared with 817,165 tons last year.

Cotton exports (excluding linters) totaled 5.6 million (480 pound) bales, 39 percent fewer than last year.

Smith said he expects a substandial increase in volume in fiscal 1982 with the possible exception of rice and sunflowerseed. He also said a significant recovery in export volume of soybeans and products in 1981-82 is expected as a result of reduced foreign competition and renewed growth in foreign countries.

He said prices for most U.S. agricultural products will likely be lower for the upcoming fiscal year, resulting in a smaller increase in total value.

U.S. Agricultural Exports, Value by Commodity (billion dollars)

Commodity	Fiscal Years 1980	Fiscal Years 1981	Percent Change
Grain and Feeds	18.429	21.724	+18
Oilseeds and Products	10.017	9.400	-6
Livestock, Poultry and Dairy	3.804	4.153	+9
Fruits and Vegetables	2.699	3.175	+18
Tobacco	1.349	1.339	-1
Cotton and Linters	3.033	2.248	-26
Sugar and Tropical Products	.908	1.465	+61
TOTAL	40.481	43.788	+8

(Totals may not add due to rounding)

VOLUME OF SELECTED U.S. AGRICULTURAL EXPORTS

Commodity (million metric tons)	Fiscal Years 1980	Fiscal Years 1981	Percent Change
Wheat and Flour	36.9	43.2	+17
Feed Grains	71.2	69.0	-3
Soybeans	23.8	20.0	-16

VOLUME OF SELECTED U.S. AGRICULTURAL EXPORTS (Continued)

Commodity (million metric tons)	Fiscal Years 1980	1981	Percent Change
Soybean Oil	1.2	.7	-39
Soybean Meal	7.2	6.1	-14
		(million bales)	
Cotton (excluding linters)	9.1	5.6	-39

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USDA RELEASES COST OF FOOD AT HOME FOR SEPTEMBER

WASHINGTON, Nov. 3—The U.S. Department of Agriculture today released its monthly update of the weekly cost of food at home for September 1981.

USDA's Human Nutrition Information Service computes the cost of food at home for four food plans—thrifty, low-cost, moderate-cost and liberal.

Betty Peterkin, a home economist with the Human Nutrition Information Service, said the plans consist of foods that together provide well-balanced meals and snacks for a week.

USDA assumes all food is bought at the store and fixed at home. Costs do not include alcoholic beverages, pet food, soap, cigarettes, paper goods and other nonfood items bought at the store.

"USDA costs are only guides to spending," Peterkin said. "Families may spend more or less, depending on such factors as where they buy their food, how carefully they plan and buy, whether some food is produced at home, what foods the family likes and how much food is prepared at home.

"Most families will find the moderate-cost or low-cost plan suitable," she said. "The thrifty plan, which USDA uses to set the coupon allotment in the food stamp program, is for families with less money for food. Families with unlimited resources might use the liberal plan."

Details of the four food plans are described in Home and Garden Bulletin No. 94, "Family Food Budgeting. . .for Good Meals and Good

Nutrition," which may be purchased for $1.50 each from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

COST OF FOOD AT HOME FOR A WEEK IN SEPTEMBER 1981

	Plans			
	Thrifty	Low-cost	Moderate-cost	Liberal
Families:				
Family of 2 (20-50 years)	$33.20	$42.90	$53.70	$64.30
Family of 2 (55 years and over)	29.80	38.20	47.30	56.40
Family of 4 with preschool children	47.20	60.30	75.00	89.90
Family of 4 with elementary school children	56.90	72.90	91.20	109.20
Individuals in four-person families:				
Children:				
1-2 years	7.70	9.70	11.90	14.20
3-5 years	9.30	11.60	14.30	17.20
6-8 years	11.80	15.10	18.80	22.50
9-11 years	14.90	18.80	23.60	28.20
Females:				
12-19 years	14.00	17.80	22.00	26.30
20-54 years	13.50	17.40	21.60	25.80
55 and over	12.30	15.70	19.40	23.00
Males:				
12-14 years	15.80	20.00	25.00	29.80
15-19 years	17.30	22.00	27.60	33.10
20-54 years	16.70	21.60	27.20	32.70
55 and over	14.80	19.00	23.60	28.30

To estimate your family food costs

—For members eating all meals at home—or carried from home—use the amounts shown.

—For members eating some meals out, deduct 5 percent from the amount shown for each meal not eaten at home. Thus, for a person eating lunch out five days a week, subtract 25 percent, or one-fourth the cost shown.

—For guests, add 5 percent of the amount shown for the proper age group for each meal.

Costs in the second part of the chart are for individuals in four-person families. If your family has more or less than four, total the "individual" figures and make these adjustments, because larger families tend to buy and use food more economically than smaller ones:

—For a one-person family, add 20 percent.
—For a two-person family, add 10 percent.
—For a three-person family, add 5 percent.
—For a family of five or six persons, subtract 5 percent.
—For a family of seven or more, subtract 10 percent.

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SWINE HEALTH PROTECTION ACT ADVISORY COMMITTEE APPOINTED

WASHINGTON, Nov. 3—Secretary of Agriculture John R. Block has appointed the 16 members of the advisory committee to consult with U.S. Department of Agriculture on implementing the Swine Health Protection Act.

The act, signed into law Oct. 17, 1980, regulates the feeding of garbage to swine. The committee's purpose is to advise USDA regarding the adequacy and enforcement of state laws and regulations concerning the treatment of garbage to be fed to swine.

Committee members are:

Paul Doby, Springfield, Ill.; A. Dewey Bond, Great Falls, Va.; Robert Roy Combs, North Las Vegas, Nev.; Willard H. Waldo, DeWitt, Neb.; Marianne Ash, Lafayette, Ind.; Charles R. Cooper, Blacksburg, Va.; C. Donald Van Houweling, Centreville, Va.; Margaret Alberi Flynn, Columbia, Mo.; Alfred W. Keating, Arlington Heights, Ill.; Philip Bradshaw, Griggsville, Ill.; John Villari, Wenonah, N.J.; Phillip Alampi, Titusville, N.J.; McHenry Cooke, Hinkley, Calif.; T. Euel Liner, Lubbock, Texas; Earl Driggers, Bennettsville, S.C.; and Rolland Paul, Willow Springs, Mo.

Currently, 16 states prohibit feeding garbage to swine and all other states require that garbage be cooked first.

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MAJOR TOBACCO DEALERS INDICTED IN SHORT-WEIGHING SCHEME

WASHINGTON, Nov. 4—A federal grand jury in Lexington, Ky., has indicted ten persons on charges of conspiracy to defraud the U.S. Government and for submitting false statements to the U.S. Department of Agriculture in a large-scale tobacco fraud scheme.

Named in the indictment were William Cecil Moore of Live Oak, Fla., and Robert D. Oldham of Nashville, Tenn., described by U.S. Attorney Joseph L. Famularo as the largest independent tobacco dealers in the country; Clement T. Greenwell, Frankfort, Ky., former assistant commissioner of agriculture for Kentucky, and these employees or associates of Oldham and Moore:

Bill Peters, Hartsville, Tenn.; Reid Duncan, Sweetwater, Tenn.; Dannie Steve Walters, Orrum, N.C.; Alfred Dalton, Live Oak, Fla.; Paul Wall, Pilot Mountain, N.C.; Robert Walker, Springfield, Ky. and William "Bibb" Johnson, Mullins, S.C.

According to the indictment, Monday, a scheme involving scale manipulation at the Morehead Tobacco warehouse during the 1978 tobacco marketing season resulted in the systematic short-weighing of producers' tobacco crops. Payoffs were allegedly made to Greenwell, then director of the Kentucky State Division of Weights and Measures, in return for protection and notification of scheduled inspections at the warehouse.

The indictment said farmers' tobacco which was short-weighed at the scales during the day was removed from the baskets at night and subsequently resold through the warehouse on Moore's dealer's card. Oldham and Moore were part-owners of the Morehead Warehouse at the time of the alleged offenses.

Assistant U.S. Attorney John M. Compton said the indictments resulted from a lengthy multi-state investigation by agents of the Office of Inspector General, U.S. Department of Agriculture, into the Oldham

and Moore burley and flue-cured tobacco operations in Kentucky, Tennessee, Georgia, North Carolina and Florida.

Compton said the maximum punishment provided by law on each of the 15 counts is a fine of $10,000 and imprisonment for not more than five years, or both.

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BLOCK SUBMITS REPORT ON MARKETING ORDERS TO WHITE HOUSE PANEL

WASHINGTON, Nov. 4—How the 47 fruit and vegetable marketing orders affect the nation's economy are covered in a report Secretary of Agriculture John R. Block has turned over to the President's Task Force on Regulatory Relief.

Block said he will soon announce guidelines for existing and future federal fruit, vegetable and specialty crop orders, then evaluate each order on a case-by-case basis.

"Four provisions of marketing orders give me particular concern," Block said. "Producer allotments, which restrict entry of new producers into commodity industries; prorates, which restrict the quantity of a commodity that each handler may ship to market over a stated time period; reserve pools, whereby portions of a commodity are held back from primary markets for later sale, diverted to secondary markets or disposed of in non-food uses; and quality provisions, which may possibly be misused as non-tariff trade barriers."

Crop marketing orders were among several areas of federal regulation the presidential task force targeted for review last spring. Block appointed a team of five U.S. Department of Agriculture and university agricultural economists to review the programs.

Block said the review team's report indicates marketing orders have potential for increasing economic efficiency by stabilizing returns to crop growers and by providing quality assurance to buyers.

He said the report also indicates, however, that if marketing orders limit quantities of commodities in one or more outlets, they may impose inefficiencies on the production and marketing system. The

team's report describes research provisions of marketing orders as the most likely to contribute to economic efficiency.

This is followed, in descending order, by:

—Pack and container standardization;

—Grade, size and maturity standards, particularly those that remain essentially the same from year to year;

—Prorate regulations controlling rate of flow during only part of the season, and reserve pools that are used for storing commodities for later return to the market;

—Market allocation and full-season prorate provisions; and

—Provisions that allot market shares among producers.

The five-member review team, headed by USDA staff economist Richard Heifner, examined marketing orders in light of changes that have occurred recently in economic conditions and philosophy.

The team's report addresses the likely effects of four major options —continuing the programs as they are; eliminating them, but not substituting new federal programs; replacing them with other programs designed to overcome some of the same marketing problems; and changing individual marketing orders to focus on those provisions which contribute most to efficiency and productivity.

The report said marketing order provisions that allocate products to markets or regulate the flow of crops to market throughout the season have little positive effect on overall economic efficiency and may actually have a negative impact. However, the report said, these provisions "when used infrequently. . .may be justified as a 'safety-valve' to protect growers from disastrously low prices."

Provisions that allot market shares among producers are generally the most likely to detract from economic efficiency, according to the report, "although even these provisions may carry some stabilization benefits."

Marketing orders are designed jointly by USDA's Agricultural Marketing Service and affected producers to help overcome specific marketing problems. Marketing orders may regulate the quality and sizes of the commodity marketed, the quantity, or both. Unlike many government regulations imposed on industries, the orders are put into effect or eliminated only following a referendum of affected producers.

Assessments that handlers pay are used to finance research to improve production and marketing, as well as market development activities and advertising.

Copies of the report will be available in about three weeks from the AMS Information Division, room 2638-S, USDA, Washington, D.C. 20250.

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EXPORT GRAIN FIRMS MUST REGISTER WITH USDA BY DEC. 31

WASHINGTON, Nov. 5—All grain firms which export 15,000 or more metric tons of grain annually must register with the U.S. Department of Agriculture's Federal Grain Inspection Service by Dec. 31.

Kenneth A. Gilles, administrator of USDA's Federal Grain Inspection Service, said registration is required by the U.S. Grain Standards Act.

"All firms currently registered must re-apply if they exported 15,000 or more metric tons of grain in 1981, or plan to do so in 1982," Gilles said.

The registration fee is $135 for firms which sell or ship grain overseas, and $27O for export firms which own a controlling interest in other companies engaged in interstate commerce.

USDA has mailed application forms to all 119 firms now registered. Others who need application forms or more information should call or write James Conrad, Regulatory Branch, Compliance Division, Rm. 2405- Auditors Bldg., FGIS-USDA, Washington, D.C. 20250, telephone (202) 447- 4759.

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USDA RAISES FEES FOR GRADING LIVESTOCK FOR COMMODITY MARKETS

WASHINGTON, Nov. 5—Fees for U.S. Department of Agriculture grading and certification of livestock traded in commodity markets will be raised by $3.20 an hour for work in regular time. The increase, on an interim basis, is effective Nov. 29.

Thomas H. Porter, an official of USDA's Agricultural Marketing Service, said the increase is necessary because of increases in costs of conducting the grading and certification program.

Fees will be increased from $20 to $23.20 per hour for work performed between 6 a.m. and 6 p.m., Monday through Friday.

Grading and certification work performed on Saturday, Sunday and between 6 p.m. and 6 a.m. Monday through Friday will be increased from $23 to $28.20 per hour. Fees for work performed on legal holidays will be increased from $40 to $46.40.

Livestock is graded and certified on deliveries made to settle futures contracts for the Chicago Mercantile and Mid-America commodity exchanges and on livestock financed through the Commodity Credit Corporation for export.

Notice of the fee increase will be published in the Nov. 5 Federal Register, available at most public libraries. Comments on the increase may be sent until Dec. 31 to James A. Ray, Livestock, Meat, Grain and Seed Division, rm. 2623-S, AMS, USDA, Washington, D.C., 20250.

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USDA REQUESTS COMMENTS ON STATE BRUCELLOSIS RECLASSIFICATION PROPOSAL

WASHINGTON, Nov. 5—The U.S. Department of Agriculture will accept public comments until Dec. 8 on a proposed new state rating system for brucellosis control in cattle that could cause a state to lose its rating if an outbreak of the disease is not promptly contained and eliminated. The new system would start Jan. 1.

Brucellosis is an infectious disease of cattle and other animals that can be transmitted to humans as undulant fever. Sometimes called Bang's disease, brucellosis poses a serious economic threat to cattle

producers through reduced calf crops and lower milk yields, according to Paul Becton, director of the National Brucellosis Eradication Program for USDA's Animal and Plant Health Inspection Service.

"A new state rating system was requested by a blue-ribbon Brucellosis Technical Commission in 1978 and will help control brucellosis," Becton said.

Under the new rating system, cattle could be shipped freely across state lines if a state is rated "free" of the disease. Other state ratings of Class A, B or C—based on the amount of infection and the state disease surveillance system-would require cattle to have blood tests for brucellosis before they could be shipped between states.

Presently, ratings are made on a county-by-county basis within states. The new rating plan, proposed to start Jan. 1, would have either one rating for an entire state, or in some cases, two area classification per state.

The U.S. Animal Health Association, representing state animal health agencies and major livestock industry groups, initially recommended Jan. 1, 1981, as the beginning date for reclassification. This was delayed until 1982, however, to allow states more time to meet the stricter standards.

"Class A" states would have herd infection rates of 0.25 percent or less. "Class B" states would have herd infection rates of 1.5 percent or less. "Class C" states would be those with herd infection rates in excess of 1.5 percent or 15 herds per 1,000, Becton said.

Notice of the proposed system modifying the Brucellosis Eradication Uniform Methods and Rules will be published in the Nov. 9 Federal Register. Meanwhile, all state and federal animal health offices and various industry organizations have received copies.

Persons wanting to obtain more information or to submit comments should write to Paul Becton at USDA, APHIS, Veterinary Services, Room 856, Federal Building, 6505 Belcrest Road, Hyattsville, Md. 20782.

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BLOCK SENDS REPORT ON WASTE, FRAUD TO TASK FORCE

WASHINGTON, Nov. 5—Secretary of Agriculture John R. Block announced today he is forwarding an internal report on waste and fraud in the U.S. Department of Agriculture's feeding programs to an Interdepartmental Task Force for evaluation.

The preliminary report on "Fraud, Waste, Error and Abuse in the Domestic Food Assistance Programs" includes an estimate that USDA loses about $1.3 billion annually through problems in the programs.

The report is the result of a study ordered by Block earlier this year after President Reagan announced a program to combat fraud and waste in the federal government.

"This waste and fraud is not only a drain on the U.S. Treasury, but it also deprives the truly needy citizens of this nation," Block said. "We can not and we will not allow this to continue."

USDA's investigation in the food assistance program is part of an overall effort to combat waste and fraud in government, Block said.

In September, Attorney General William French Smith created a special task force in an attempt to intensify such investigations. That task force includes USDA, the Justice Department, the Federal Bureau of Investigation, the Secret Service and other government agencies.

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